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Advance Report on Durable Goods Manufacturers' Shipments, Inventories and Orders October 2013

New Orders

New orders for manufactured durable goods in October decreased \$4.6 billion or 2.0 percent to \$230.3 billion, the U.S. Census Bureau announced today. This decrease, down following two consecutive monthly increases, followed a 4.1 percent September increase. Excluding transportation, new orders decreased 0.1 percent. Excluding defense, new orders decreased 1.3 percent.

Transportation equipment, also down following two consecutive monthly increases, led the decrease, \$4.6 billion or 5.9 percent to \$73.0 billion. This was led by nondefense aircraft and parts, which decreased \$3.0 billion.

Shipments

Shipments of manufactured durable goods in October, up three consecutive months, increased \$0.5 billion or 0.2 percent to \$233.2 billion. This was at the highest level since the series was first published on a NAICS basis in 1992, and followed a 0.5 percent September increase.

Transportation equipment, also up three consecutive months, drove the increase, \$0.7 billion or 1.1 percent to \$70.9 billion.

Unfilled Orders

Unfilled orders for manufactured durable goods in October, up eight of the last nine months, increased \$3.5 billion or 0.3 percent to \$1,045.4 billion. This was at the highest level since the series was first published on a NAICS basis, and followed a 0.9 percent September increase.

Transportation equipment, up two consecutive months,

led the increase, \$2.1 billion or 0.3 percent to \$644.4 billion.

Inventories

Inventories of manufactured durable goods in October, up six of the last seven months, increased \$1.2 billion or 0.3 percent to \$383.3 billion. This was at the highest level since the series was first published on a NAICS basis, and followed a 0.8 percent September increase.

Transportation equipment, up seventeen of the last eighteen months, led the increase, \$1.1 billion or 0.9 percent to \$120.0 billion.

Capital Goods

Nondefense new orders for capital goods in October decreased \$3.2 billion or 3.9 percent to \$77.9 billion. Shipments increased slightly to \$74.2 billion. Unfilled orders increased \$3.7 billion or 0.6 percent to \$620.8 billion. Inventories increased \$1.0 billion or 0.6 percent to \$174.2 billion.

Defense new orders for capital goods in October decreased \$1.7 billion or 16.3 percent to \$8.7 billion. Shipments decreased \$0.2 billion or 2.4 percent to \$9.8 billion. Unfilled orders decreased \$1.0 billion or 0.6 percent to \$167.1 billion. Inventories decreased slightly or 0.2 percent to \$23.0 billion.

Revised September Data

Revised seasonally adjusted September figures for all manufacturing industries were: new orders, \$491.3 billion (revised from \$490.8 billion); shipments, \$489.2 billion (revised from \$488.9 billion); unfilled orders, \$1,041.9 billion (revised from \$1,041.7 billion); and total inventories \$633.7 billion (revised from \$634.0 billion).

Figures in text are adjusted for seasonality, but not for inflation. Figures on new and unfilled orders exclude data for semiconductor manufacturing. For data, call (301) 763-4673 or go to <<http://www.census.gov/m3>>. Revised and more detailed estimates, plus nondurable goods data, will be published on December 5, 2013, at 10:00 a.m. EST. The advance report on durable goods for November is scheduled for release on December 24, 2013, at 8:30 a.m. EST. See back page for survey description. To receive the latest updates on the Nation's key economic indicators, download the America's Economy app for Apple and Android smartphones and tablets.

Table 1. Durable Goods Manufacturers' Shipments and New Orders ¹

[Estimates are shown in millions of dollars and are based on data from the Manufacturers' Shipments, Inventories, and Orders Survey.]

Item	Seasonally Adjusted						Not Seasonally Adjusted					
	Monthly			Percent Change			Monthly			Year to Date		
	Oct 2013 ²	Sep 2013 ¹	Aug 2013	Sep - Oct ²	Aug - Sep ¹	Jul - Aug	Oct 2013 ²	Sep 2013 ¹	Oct 2012	2013	2012	Percent Change 2013/2012
DURABLE GOODS												
Total:												
Shipments.....	233,245	232,706	231,596	0.2	0.5	1.0	241,583	241,902	230,995	2,304,347	2,231,539	3.3
New Orders ⁴	230,252	234,893	225,686	-2.0	4.1	0.5	232,019	244,210	221,124	2,274,148	2,170,706	4.8
Excluding transportation:												
Shipments.....	162,346	162,555	161,782	-0.1	0.5	0.7	167,073	168,606	164,269	1,621,221	1,598,742	1.4
New Orders ⁴	157,237	157,322	157,025	-0.1	0.2	-0.1	158,323	161,285	153,072	1,574,223	1,522,764	3.4
Excluding defense:												
Shipments.....	221,217	220,273	219,058	0.4	0.6	0.6	229,919	228,057	219,193	2,184,527	2,111,395	3.5
New Orders ⁴	219,438	222,253	214,893	-1.3	3.4	0.9	223,347	229,325	211,243	2,170,774	2,050,822	5.8
Manufacturing with unfilled orders:												
Shipments.....	163,346	163,146	162,296	0.1	0.5	1.0	165,800	170,035	160,502	1,612,723	1,585,539	1.7
New Orders.....	166,814	172,172	163,256	-3.1	5.5	0.3	164,467	179,035	161,138	1,652,323	1,599,100	3.3
Primary metals:												
Shipments.....	25,932	25,798	25,608	0.5	0.7	0.7	26,357	25,687	24,888	255,972	256,245	-0.1
New Orders.....	26,385	26,254	25,525	0.5	2.9	0.1	26,812	25,212	25,215	258,626	250,317	3.3
Fabricated metal products:												
Shipments.....	29,047	28,934	28,892	0.4	0.1	-0.2	30,786	29,892	30,121	292,843	289,179	1.3
New Orders.....	29,045	29,483	30,267	-1.5	-2.6	0.5	28,452	29,412	29,263	300,705	293,596	2.4
Machinery:												
Shipments.....	34,246	33,966	33,753	0.8	0.6	0.5	34,316	34,491	33,566	342,607	332,122	3.2
New Orders.....	34,122	34,236	34,940	-0.3	-2.0	0.7	34,384	34,434	33,096	347,619	325,005	7.0
Computers and electronic products⁴:												
Shipments.....	27,207	27,919	27,738	-2.6	0.7	1.8	27,881	31,021	30,433	273,819	284,757	-3.8
New Orders.....	21,556	21,483	20,470	0.3	4.9	-4.6	20,595	25,250	19,946	209,712	216,593	-3.2
Computers and related products:												
Shipments.....	2,240	2,463	2,332	-9.1	5.6	15.6	1,817	3,509	2,017	22,164	23,899	-7.3
New Orders.....	2,264	2,450	2,253	-7.6	8.7	10.7	1,841	3,496	2,144	22,293	24,145	-7.7
Communications equipment:												
Shipments.....	4,030	4,012	4,033	0.4	-0.5	1.9	3,694	4,648	3,802	38,979	37,034	5.3
New Orders.....	4,162	4,213	4,014	-1.2	5.0	-4.3	4,086	5,255	4,042	43,007	40,271	6.8
Electrical equipment, appliances, and components:												
Shipments.....	10,091	10,064	10,141	0.3	-0.8	-1.5	10,215	10,538	10,336	102,776	103,340	-0.5
New Orders.....	10,382	10,097	10,135	2.8	-0.4	-0.4	10,586	10,079	10,439	104,032	103,456	0.6
Transportation equipment:												
Shipments.....	70,899	70,151	69,814	1.1	0.5	1.6	74,510	73,296	66,726	683,126	632,797	8.0
New Orders.....	73,015	77,571	68,661	-5.9	13.0	1.8	73,696	82,925	68,052	699,925	647,942	8.0
Motor vehicles and parts:												
Shipments.....	46,785	46,003	45,829	1.7	0.4	1.8	51,531	46,852	44,883	454,427	413,116	10.0
New Orders.....	46,602	45,823	45,911	1.7	-0.2	2.1	51,165	46,664	44,739	453,435	411,394	10.2
Nondefense aircraft and parts:												
Shipments.....	12,277	11,989	11,527	2.4	4.0	-5.0	11,456	12,809	10,193	109,469	100,325	9.1
New Orders.....	16,047	19,072	11,980	-15.9	59.2	5.4	13,656	21,259	13,114	143,241	118,952	20.4
Defense aircraft and parts:												
Shipments.....	4,779	4,839	4,864	-1.2	-0.5	10.6	4,514	5,498	4,292	46,235	46,576	-0.7
New Orders.....	3,998	4,998	4,456	-20.0	12.2	-12.0	3,769	6,281	5,251	38,780	48,588	-20.2
All other durable goods:												
Shipments.....	35,823	35,874	35,650	-0.1	0.6	1.4	37,518	36,977	34,925	353,204	333,099	6.0
New Orders.....	35,747	35,769	35,688	-0.1	0.2	1.3	37,494	36,898	35,113	353,529	333,797	5.9
Capital goods³:												
Shipments.....	83,947	84,154	84,114	-0.2	0.0	1.5	82,529	89,395	81,163	827,266	810,276	2.1
New Orders.....	86,596	91,447	84,536	-5.3	8.2	-0.4	80,485	98,048	81,160	863,219	828,614	4.2
Nondefense capital goods:												
Shipments.....	74,192	74,156	73,834	0.0	0.4	0.4	73,103	78,334	71,712	730,198	714,061	2.3
New Orders.....	77,886	81,043	75,867	-3.9	6.8	-0.1	74,209	86,026	74,287	780,131	732,924	6.4
Excluding aircraft:												
Shipments.....	65,608	65,707	65,818	-0.2	-0.2	1.4	65,068	69,428	64,440	654,553	645,563	1.4
New Orders.....	66,239	67,034	67,959	-1.2	-1.4	1.0	64,906	69,765	64,319	674,324	647,906	4.1
Defense capital goods:												
Shipments.....	9,755	9,998	10,280	-2.4	-2.7	9.9	9,426	11,061	9,451	97,068	96,215	0.9
New Orders.....	8,710	10,404	8,669	-16.3	20.0	-3.3	6,276	12,022	6,873	83,088	95,690	-13.2

¹ Revised data due to late receipts and concurrent seasonal adjustment.² Estimates of shipments and new orders are for the duration of the period, while estimates of unfilled orders and total inventories are for the end of the period. Not seasonally adjusted estimates of shipments and new orders include adjusted data for non-calendar reporters. Seasonally adjusted estimates include concurrent adjustments for holiday and trading-day differences, where appropriate, as well as seasonal variation, based on the results of the latest annual review of the model parameters. Estimates are not adjusted for price changes.³ Based on advance sample. Estimates of manufacturers' shipments, inventories, and orders are subject to survey error and revision. One major component of survey error is nonsampling error, which includes errors of coverage, response and nonreporting. Since the survey panel is not a probability sample, estimates of sampling error cannot be calculated. For further details on survey design, methodology, and data limitations, see <http://www.census.gov/manufacturing/m3>.⁴ The Capital Goods Industries include Nondefense: small arms and ordnance; farm machinery and equipment; construction machinery; mining, oil, and gas field machinery; industrial machinery; vending, laundry, and other machinery; photographic equipment; metalworking machinery; turbines and generators; other power transmission equipment; pumps and compressors; material handling equipment; all other machinery; electronic computers; computer storage devices; other computer peripheral equipment; communications equipment; search and navigation equipment; electromedical, measuring, and control instruments; electrical equipment; other electrical equipment, appliances, and components; heavy duty trucks; aircraft; railroad rolling stock; ships and boats; office and institutional furniture; and medical equipment and supplies.

Defense Capital Goods include: small arms and ordnance, communications equipment, aircraft; missiles, space vehicles, and parts, ships and boats, and search and navigation equipment.

⁵ Estimates of shipments for the semiconductor industry are no longer shown separately. Estimates and percent changes of shipments and inventories for the semiconductor industry are included in computers and electronic products, and all other applicable aggregate totals. Estimates and percent changes for new orders and unfilled orders exclude semiconductor industry data.

Table 2. Durable Goods Manufacturers' Unfilled Orders and Total Inventories ¹

[Estimates are shown in millions of dollars and are based on data from the Manufacturers' Shipments, Inventories, and Orders Survey.]

Item	Seasonally Adjusted						Not Seasonally Adjusted			
	Monthly			Percent Change			Monthly			Percent Change 2013/ 2012
	Oct 2013 ²	Sep 2013 ¹	Aug 2013	Sep - Oct ²	Aug - Sep ¹	Jul - Aug	Oct 2013 ²	Sep 2013 ¹	Oct 2012	
<u>DURABLE GOODS</u>										
Total:										
Unfilled Orders ⁴	1,045,409	1,041,941	1,032,915	0.3	0.9	0.1	1,030,464	1,031,797	968,535	6.4
Total Inventories.....	383,331	382,088	379,164	0.3	0.8	0.1	384,542	380,899	374,715	2.6
Excluding transportation:										
Unfilled Orders ⁴	401,050	399,698	398,092	0.3	0.4	0.5	394,136	394,655	375,585	4.9
Total Inventories.....	263,291	263,101	261,949	0.1	0.4	0.0	263,635	262,073	263,496	0.1
Excluding defense:										
Unfilled Orders ⁴	847,715	843,033	834,214	0.6	1.1	0.3	836,556	834,897	769,640	8.7
Total Inventories.....	355,286	354,073	351,918	0.3	0.6	0.5	356,571	353,071	348,574	2.3
Manufacturing with unfilled orders:										
Unfilled Orders.....	1,045,409	1,041,941	1,032,915	0.3	0.9	0.1	1,030,464	1,031,797	968,535	6.4
Total Inventories.....	314,257	313,016	310,499	0.4	0.8	0.1	315,026	311,826	304,803	3.4
Primary metals:										
Unfilled Orders.....	36,433	35,980	35,524	1.3	1.3	-0.2	34,781	34,326	32,029	8.6
Total Inventories.....	35,039	35,069	34,985	-0.1	0.2	0.2	34,790	35,048	36,259	-4.1
Fabricated metal products:										
Unfilled Orders.....	90,695	90,697	90,148	0.0	0.6	1.5	86,814	89,148	78,020	11.3
Total Inventories.....	47,802	47,648	47,445	0.3	0.4	0.3	47,581	47,505	47,169	0.9
Machinery:										
Unfilled Orders.....	107,527	107,651	107,381	-0.1	0.3	1.1	106,802	106,734	107,329	-0.5
Total Inventories.....	66,409	66,355	65,906	0.1	0.7	0.1	66,411	65,926	67,217	-1.2
Computers and electronic products⁴:										
Unfilled Orders.....	136,604	135,794	135,391	0.6	0.3	-0.3	136,354	135,409	129,645	5.2
Total Inventories.....	46,630	46,872	46,377	-0.5	1.1	-0.6	47,269	46,769	46,589	1.5
Computers and related products:										
Unfilled Orders.....	3,356	3,332	3,345	0.7	-0.4	-2.3	3,356	3,332	2,989	12.3
Total Inventories.....	4,496	4,458	4,495	0.9	-0.8	-1.9	4,681	4,399	4,568	2.5
Communications equipment:										
Unfilled Orders.....	34,097	33,965	33,764	0.4	0.6	-0.1	34,458	34,066	29,776	15.7
Total Inventories.....	7,419	7,565	7,430	-1.9	1.8	1.0	7,503	7,503	7,791	-3.7
Electrical equipment, appliances, and components:										
Unfilled Orders.....	22,589	22,298	22,265	1.3	0.1	0.0	22,230	21,859	21,149	5.1
Total Inventories.....	16,758	16,715	16,831	0.3	-0.7	-0.5	16,746	16,403	16,662	0.5
Transportation equipment:										
Unfilled Orders.....	644,359	642,243	634,823	0.3	1.2	-0.2	636,328	637,142	592,950	7.3
Total Inventories.....	120,040	118,987	117,215	0.9	1.5	0.3	120,907	118,826	111,219	8.7
Motor vehicles and parts:										
Unfilled Orders.....	16,439	16,622	16,802	-1.1	-1.1	0.5	15,793	16,159	16,155	-2.2
Total Inventories.....	25,460	25,436	25,208	0.1	0.9	1.0	25,982	25,550	26,386	-1.5
Nondefense Aircraft and parts:										
Unfilled Orders.....	469,722	465,952	458,869	0.8	1.5	0.1	465,128	462,928	415,935	11.8
Total Inventories.....	66,065	65,164	64,213	1.4	1.5	1.6	66,375	64,983	57,768	14.9
Defense Aircraft and parts:										
Unfilled Orders.....	66,261	67,042	66,883	-1.2	0.2	-0.6	64,904	65,649	67,534	-3.9
Total Inventories.....	13,364	13,450	13,439	-0.6	0.1	-3.8	13,437	13,504	12,846	4.6
All other durable goods:										
Unfilled Orders.....	7,202	7,278	7,383	-1.0	-1.4	0.5	7,155	7,179	7,413	-3.5
Total Inventories.....	50,653	50,442	50,405	0.4	0.1	0.3	50,838	50,422	49,600	2.5
Capital goods³:										
Unfilled Orders.....	787,854	785,205	777,912	0.3	0.9	0.1	777,167	779,211	724,281	7.3
Total Inventories.....	197,236	196,262	194,178	0.5	1.1	-0.2	198,174	195,237	189,459	4.6
Nondefense capital goods:										
Unfilled Orders.....	620,768	617,074	610,187	0.6	1.1	0.3	613,204	612,098	556,349	10.2
Total Inventories.....	174,249	173,240	172,042	0.6	0.7	0.4	175,334	172,456	168,553	4.0
Excluding aircraft:										
Unfilled Orders.....	231,170	230,539	229,212	0.3	0.6	0.9	227,610	227,772	212,398	7.2
Total Inventories.....	119,867	119,764	119,335	0.1	0.4	-0.2	120,784	119,020	121,900	-0.9
Defense capital goods:										
Unfilled Orders.....	167,086	168,131	167,725	-0.6	0.2	-1.0	163,963	167,113	167,932	-2.4
Total Inventories.....	22,987	23,022	22,136	-0.2	4.0	-4.3	22,840	22,781	20,906	9.3

See footnotes at end of Table 1

Survey Description

This report is compiled from results of the U.S. Census Bureau's Manufacturers' Shipments, Inventories, and Orders (M3) survey. This survey provides statistics on manufacturers' value of shipments, new orders (net of cancellations), end-of-month order backlog (unfilled orders), end-of-month total inventory (at current cost or market value), and inventories by stage of fabrication (materials and supplies, work-in-process, and finished goods). The M3 includes approximately 4,300 reporting units. Units may be divisions of diversified large companies, large homogenous companies, or single-unit manufacturers in 89 industry categories. Due to the small monthly sample, these 89 categories have been combined into 65 publication levels. The survey methodology assumes that the month-to-month changes of the total operations of those companies in the monthly survey effectively represent the month-to-month movements of all establishments that make up the category. The current coverage levels in the survey show that reported data in the monthly survey represent approximately 60 percent of the shipments estimates at the total manufacturing level. Data published represent manufacturing in a calendar month. The data collection is based on a voluntary survey authorized by Title 13 of the United States Code.

The data presented in this release are based on data obtained from a panel of 4,300 reporting units and provide an indication of the activity within the manufacturing sector. The results differ from what would be obtained from a complete enumeration of all manufacturing companies. In addition, a different panel of 4,300 companies would yield different results. The M3 panel is comprised of companies with \$500 million or more in shipments and a limited number of smaller companies. From a statistical perspective, the panel is not a probability sample; therefore, the sampling errors that are normally provided with sample surveys cannot be measured. Nonsampling errors are attributable to many sources. The use of company or divisional reports to estimate the monthly change for establishments is one source of nonsampling error. The use of primarily large companies to represent the month-to-month movement of all companies is another potential source. Any corrections will be published in the full report. Corrections received after the full report will be released in the next month's advance report. Any revisions made later than two months will be reflected in the annual benchmark publication.

Additional survey documentation can be found on our web site: <http://www.census.gov/m3>.

2014 Release Dates for the M3 Survey

Survey month	Advance Report (8:30 a.m. release time)	Full Report (10:00 a.m. release time)
October 2013	November 27, 2013	December 5, 2013
November 2013	December 24, 2013	January 6, 2014
December 2013	January 28, 2014	February 4, 2014
January 2014	February 27, 2014	March 6, 2014
February 2014	March 26, 2014	April 2, 2014
March 2014	April 24, 2014	May 2, 2014
April 2014	May 27, 2014	June 3, 2014
May 2014	June 25, 2014	July 2, 2014
June 2014	July 25, 2014	August 5, 2014
July 2014	August 26, 2014	September 3, 2014
August 2014	September 25, 2014	October 2, 2014
September 2014	October 28, 2014	November 4, 2014
October 2014	November 26, 2014	December 5, 2014
November 2014	December 23, 2014	Not available at this time